

RISK DISCLOSURE

At Insimbi Industrial Holdings Limited (“Group” or “Company”) emphasis is placed on the board of directors (“Board”) to govern risk in a manner that supports the Group in setting and achieving its strategic goals. During the year under review the Board delegated the task of overseeing the risk management processes to the Audit and Risk Committee (“the Committee”).

The Committee’s responsibilities are to ensure the group has an effective policy and risk management plan, oversee the development and review of the enterprise risk management framework and enterprise risk management, ensure risk management is integrated into business operations, ensure risk management assessments are conducted on a continuous basis, express the committee’s opinion on the effectiveness of the system and process of risk management. The Committee remains accountable for financial risk and compliance.

Management is committed to maintaining and monitoring the best possible strategies to minimise the risks and to ensure the growth of the Group in the interest of all stakeholders.

INTERNAL CONTROLS

The Committee acknowledges the King IV recommendation that the Board should ensure that an effective risk-based internal audit function is in place. The Committee has satisfied itself that the Group’s internal controls are designed to provide reasonable assurance as to the reliability and integrity of the financial statements and to adequately safeguard, verify and maintain accountability of its assets.

Pursuant to paragraph 8.63(s) of the JSE Listings Requirements, please find below a description of immediately identifiable material risks at a Group level. The risk disclosure contained herein should be read together with Group’s 2024 annual report:

Risk Ranking	Top Ten Risks for Insimbi Group
1	Economic instability in the country
2	Threat of Cyber-attacks on the group companies and service providers
3	Commodity and market volatility squeezing margins
4	Uncertainty regarding Government legislation affecting the recycling industry
5	Political instability in the country
6	Customers extending their payment terms thereby affecting working capital
7	Availability/shortage of stock for resale
8	SOE’s such as Portnet, Transnet inefficiencies restricts the supply chain and movement of commodities
9	Planned and unplanned Power outages in the country affecting production
10	Theft and hijacking of vehicles carrying high value commodities